

Committee(s)	Dated:
Planning and Transportation – For decision	03/10/2017
Subject: Dockless Cycle Hire	Public
Report of: Carolyn Dwyer, Director of the Built Environment	For Decision
Report author: Eddie Jackson, Department of the Built Environment	

Summary

This report provides details of commercial dockless cycle hire operations that are beginning to launch in London and are likely to affect the City. The report also sets out proposals to manage the operation of dockless cycle hire in the Square Mile through Transport for London's (TfL) Code of Practice (Appendix 1, also published on the TfL website), and a City of London specific Policy Statement for engagement with operators, in the City Corporation's role as Highway Authority.

Dockless cycle hire schemes provide low-cost, short term public cycle hire, intended for short journeys in urban environments. The schemes do not require any on-street infrastructure, bikes have an integrated lock and users can unlock bikes using a smartphone app. Schemes are established in several cities overseas, and have been launched this year in Manchester, Cambridge and Oxford. One scheme has recently launched in the London Borough of Hackney. Several other operators are in the process of launching, or are expected to launch schemes in London in the coming months.

The schemes have the potential to be a convenient, no-cost addition to the City's transport network, and promote cycling for short trips. The schemes must however be carefully managed to avoid negative impacts on City streets, particularly the potential to obstruct people walking. Operators do not require consent from local authorities, including TfL and the Greater London Authority (GLA), who have no powers to prohibit the operation of dockless cycle hire schemes. However, there are powers in respect of danger, nuisance or obstruction caused by the operations. Officers are working with Open Spaces to ensure the City's interests are protected.

Recommendation(s)

Members are asked to:

- Approve the proposed City Corporation Policy Statement on dockless cycle hire set out in paragraph 13 of this report
- Endorse and adopt the TfL Dockless Cycle Hire Code of Conduct (Appendix 1)

Main Report

Background

1. 'Dockless cycle hire' is a generic term for a short term cycle hire scheme, similar to Santander Cycles, but entirely 'free floating' – with no on street docking infrastructure required, although users may park bikes on or near public cycle stands. The schemes are commercially operated and do not require any public funding or subsidy.
2. Users of a dockless hire scheme use a smartphone app to locate the GPS-enabled bikes, which are then unlocked electronically via the same app. At the end of the journey, the user is able to leave the bike anywhere convenient, and lock the bike using the app. The integral lock and kickstand mean that bikes do not need to be attached to a cycle stand or other street furniture to be secured. Most operators provide prompts to users through the app when locking the bikes to remind them to park considerately.
3. With some schemes the operating area of the bikes can be restricted to particular areas using a 'geo-fence'. This GPS technology can be used to make bikes left outside a defined area unavailable for a new hire – relying on the person who rode it originally, or the bike hire operator to return the bike to the scheme area.
4. Geo-fencing technology can also be used more locally to prevent bikes being left in particularly busy or sensitive locations – immediately outside railway stations for example – by preventing the user from ending their hire in designated areas. Users may be penalised for leaving a bike in prohibited areas.
5. Several companies – mainly based in the Far East, and all backed by significant investment – have either launched, or expressed an interest in launching a dockless bike scheme in the UK. Trial schemes started in Manchester, Cambridge and Oxford earlier this year and the London Borough of Hackney commenced a trial in September. The Hackney scheme is geo-fenced to allow hires only within the borough boundary at present, meaning that bikes may be left on City streets, but would not be available for use by anyone other than the original hirer.

Current Position

6. As a dockless cycle hire scheme can operate with no on-street infrastructure, companies are able to operate their scheme without the express consent of the Highway Authorities. This occurred in July 2017 when 'Obike' – one of the largest global operators – launched their scheme with virtually no notice, depositing several hundred bikes in inner London boroughs, including Tower Hamlets. Several of these bikes appeared in the City shortly after the launch as users rode them in from surrounding boroughs.
7. As no engagement took place in advance, the response from TfL and most boroughs was to request that Obike remove their bikes from the streets until management arrangements could be agreed. In some cases, bikes that were

deemed to be causing an obstruction or nuisance were removed by TfL and London Boroughs. In particular, all bikes that were on the left on the Transport for London Road Network (TLRN) were removed. The vast majority of these bikes have now disappeared from London streets.

8. City Corporation Officers are aware of several other operators aiming to launch schemes in London in the coming months. Officers in the Department of the Built Environment have met with the operator of the Hackney trial, and have been approached by several others seeking to engage with the City Corporation. This proactive engagement suggests that a co-operative approach is now being taken by most operators. The nature of these schemes does mean though, that explicit agreement to operate on any London street is not necessarily required.
9. City Corporation Officers attend a regular TfL-led Borough Working Group on dockless cycles, and have agreed to share information and best practice with London Boroughs. Internally, officers are working with colleagues in Open Spaces to safeguard the City's interests within and without the City.
10. In consultation with boroughs and the City of London, TfL has developed a Code of Conduct for companies wishing to operate a dockless cycle hire scheme in London. This document, attached as Appendix 1 and also available on the TfL website, sets out clear standards for safe and efficient operation of the schemes in London, including a requirement to engage with local authorities.
11. Dockless cycle hire has the potential to be a positive development for the City, but as a new phenomenon in the UK, the potential costs and benefits of these schemes are still emerging. Officers have engaged with Cambridge City Council and Transport for Greater Manchester on their trial schemes, and are in regular contact with TfL and London Boroughs in order to understand the key positives and negatives. Table 1 provides an overview of the principal considerations.

Advantages	Disadvantages
<ul style="list-style-type: none"> • Dockless bike hire can provide low-cost access to a bike for short journeys (cost of hire is typically around 50p per half hour). • Schemes are entirely commercial – no public subsidy is required. • The flexibility of the scheme and ability to cycle door-to-door may encourage mode shift, particularly from short taxi, bus or tube trips within central London. • Avoids the problem of full docking stations preventing users from parking the bike. 	<ul style="list-style-type: none"> • Potential for street clutter, danger, obstruction and nuisance from parked bikes – a particular concern in areas of the City with narrow footways and high footfall. Operators intend to promote 'good' and penalise 'bad' behaviour with a user feedback system, but the effectiveness of the system is so far untested. • Potential lack of engagement and co-operation of operators as no consent is required from highway authorities – schemes could operate in theory without agreement with the City.
Other Key Points	
<ul style="list-style-type: none"> • Manual redistribution of the bikes during the day is likely to be required, to deal with the tidal flow of bikes into the City in the morning. A suitable redistribution arrangement is a key requirement of the Code of Practice. 	

Table 1 – Summary of advantages and disadvantages of dockless cycle hire schemes

12. As schemes launch in boroughs neighbouring the City, it is almost inevitable that some cycles from these schemes will arrive on City streets in the near future, so a clear position on managing the schemes is likely to become increasingly important. The Hackney scheme is currently set up in such a way that bikes may be cycled into the City and left on-street for up to 24 hours, but would not be available for use by anyone other than the original hirer. The onus is on the hirer to return the bike to Hackney, with penalties levied on users that do not return the bike within the allotted time. Agreeing a clear position that recognises dockless bikes may be available for hire within the City, (subject to adhering to the Code of Practice), would allow bikes to be available to other users, demonstrating the City Corporation's support for innovative and well-managed schemes that promote safe transport by bike in and around the City.

Proposals

13. It is proposed that the City Corporation adopt the following initial position on accommodating dockless cycle hire in the City of London and engaging with operators. This position will be kept under regular review as schemes are established and operations expand.

- The City of London Corporation recognises the role that well-organised dockless cycle hire schemes can play in providing low-cost public access to cycles for short urban journeys and endorses the Dockless Bike Share: Code of Practice for Safe Operation in London ("the Code").
- Operators are expected to follow the requirements and recommendations of the Code.
- While the City of London is likely to be a popular destination for trips undertaken by dockless cycle hire, the street layout and extremely high footfall in the City means that highway in the City is an unsuitable location for dockless cycle hire operations to be based. This means that no operator should directly place cycles on City Corporation highway. Cycles should not be placed on any other land in the City without the consent of the property owner. The City Corporation should be informed in advance of any proposals to base cycles on private property within the City.
- The City Corporation will engage with operators wishing to operate dockless cycle hire schemes, and users of the schemes may leave the cycles in appropriate locations on City streets, with these cycles then available for public hire, subject to cycle hire operators' compliance with the Code and the City Corporation Policy Statement.
- Cycles belonging to operators not complying with the Code and causing danger, obstruction or nuisance will be removed by the City Corporation and operators will be liable for costs as set out in the Code.

14. It is proposed that the TfL Dockless Cycle Hire Code of Practice (Appendix 1) is endorsed by the City Corporation. This code has been drawn up in consultation with boroughs and the City of London. Endorsement of this code of practice

would provide clarity for scheme operators and a level of consistency across City and borough boundaries.

Corporate & Strategic Implications

15. The proposals support the DBE Business Plan objectives to develop a 'smart city' approach through use of data and technology, and create an accessible City which is stimulating, safe and easy to move around in.
16. The proposals support Local Plan Policy CS16 3 (iv) - supporting London-wide cycling schemes in parallel with initiatives to improve cycle parking in the City.
17. There is a risk that the City Corporation may be seen as unsupportive of a scheme to encourage cycling if neighbouring authorities permit dockless cycle hire schemes but the City does not allow their operation within our boundaries.

Implications

18. Legal Implications are contained in the body of the report and Code of Practice.
19. Financial Implications - Accommodating a dockless cycle hire scheme has no direct cost to the City Corporation. There would be an indirect cost if significant numbers of the bikes were deemed to be causing a danger, nuisance or obstruction, and the City Corporation therefore removed them from the street in default of the operator's removal requirements. Storage costs would also be incurred. Instances of removals would be monitored and inform reviews of the City's position. Costs will be sought from operators in all instances where they are liable

Health Implications

20. The proposals would support the introduction of new cycle hire facilities in the City. This will encourage active travel within central London, and particularly shift journeys from short bus, taxi and tube trips, with potential benefits to air quality and public health.

Conclusion

21. Commercial dockless cycle hire schemes are starting to emerge onto London's streets, providing additional transport options for short urban trips. The lack of infrastructure required to operate the schemes means that express consent is not required from Highway Authorities. Actively engaging and forging good relationships with operators will allow the City Corporation to set out clear expectations for scheme operations. Co-operation with operators will help ensure that the schemes operate for the benefit of the City, and ensure a level of consistency between the City, boroughs and operators.

Appendices

- Appendix 1 – TfL Dockless Cycle Hire Code of Conduct

Eddie Jackson

Department of the Built Environment

T: 020 7332 1937

E: edward.jackson@cityoflondon.gov.uk